REMARKS

Claims 1-5 and 7-11 are pending in this application. By the Office Action, claims 9-11 are withdrawn from consideration; claims 1-4 and 6-8 are rejected under 35 U.S.C. §102; and claim 5 is rejected under 35 U.S.C. §103. By this Amendment, claims 1, 7 and 9 are amended, and claim 6 is canceled. Support for the amendments to claims 1 and 9 can be found in the specification as filed, for example, at page 2, lines 26-32 and original claim 6. No new matter is added.

I. Restriction Requirement

Claims 9-11 are withdrawn from consideration as subject to a Restriction (Lack of Unity of Invention) Requirement. Applicants respectfully traverse the Requirement, for all of the reasons previously set forth of record.

Applicants also further understand that upon search, examination and allowance of the product claims, the process claims will be rejoined.

II. Rejections Under §102

A. Chatwin

Claims 1-4 and 6-8 are rejected under 35 U.S.C. §102(b) as anticipated by Chatwin. Applicants respectfully traverse this rejection.

Independent claim 1 is directed to a counterfeiting prevention label comprising a base sheet, and a volume hologram layer covering a part of a front surface of the base sheet, formed by a transfer process; wherein the volume hologram layer has the shape of a ribbon and extends between a first end of the base sheet and a second end of the base sheet opposite the first end, the end surface of one end of the volume hologram layer is flush with the end surface of the first end of the base sheet, and the end surface of the other end of the volume hologram layer is flush with the end surface of the second end of the base sheet, wherein a self-adhesive layer is formed on a back surface of the base sheet, and the adhesive layer is

covered with a release sheet, and the release sheet is larger than the base sheet. Such a counterfeiting prevention label is not disclosed by Chatwin.

Chatwin discloses an optical security device for use on a security article that comprises a number of layers including an optically diffracting layer and an at least partially reflective layer which together generate a first image. A non-optically diffracting second image is provided within the device in association with the first image. Abstract. However, Chatwin does not disclose all of the limitations of independent claim 1.

Specifically, Chatwin does not disclose at least the limitations that (1) the volume hologram layer is formed by a transfer process and has the shape of a ribbon and extends between a first end of the base sheet and a second end of the base sheet opposite the first end, the end surface of one end of the volume hologram layer is flush with the end surface of the first end of the base sheet, and the end surface of the other end of the volume hologram layer is flush with the end surface of the second end of the base sheet, or (2) the self-adhesive layer is formed on a back surface of the base sheet, and the adhesive layer is covered with a release sheet, and the release sheet is larger than the base sheet.

As a result of these features, because the volume hologram layer is formed by a transfer process and has the claimed shape, severability of the volume hologram layer does not need to be taken into consideration when the volume hologram layer is transferred to the label base sheet. Accordingly, a volume hologram layer having a clear outline can be transferred to the label base sheet. This in turn means that the volume hologram is able to provide high resistance to forgery and counterfeiting. See specification at page 36, lines 1-10. Furthermore, as a result of the claimed design of the self-adhesive layer and release sheet, the release sheet can be easily released from the base sheet by pulling the end portion of the release sheet after the counterfeit prevention label is attached to an article.

Because Chatwin does not disclose these features of the claimed invention, Chatwin

does not anticipate independent claim 1, or the claims dependent therefrom. Reconsideration and withdrawal of the rejection are respectfully requested.

B. <u>Ishimoto</u>

Claims 1-4 and 6 are rejected under 35 U.S.C. §102(e) as anticipated by Ishimoto.

Applicants respectfully traverse this rejection.

Claim 1 is discussed above.

Ishimoto discloses a hologram laminate that allows traces of separation of the hologram to be clearly left on both the adherend and the hologram label and hence makes it possible to prevent reuse of the hologram and is excellent in graphical design function and suitable for certification purposes. A hologram label used for the fabrication of the hologram laminate is also provided. The hologram laminate has a metal thin-film layer, a release pattern, a transparent film, a hologram layer and a surface protective layer laminated on an adherend in the order mentioned. The hologram laminate is separable between the adherend and the transparent film. When the hologram is separated, the metal thin-film layer is left on the adherend in a pattern corresponding to the release pattern. The hologram label has a release sheet in place of the adherend in the hologram laminate. Abstract. However,

Specifically, Ishimoto, like Chatwin above, does not disclose at least the limitations that (1) the volume hologram layer is formed by a transfer process and has the shape of a ribbon and extends between a first end of the base sheet and a second end of the base sheet opposite the first end, the end surface of one end of the volume hologram layer is flush with the end surface of the first end of the base sheet, and the end surface of the other end of the volume hologram layer is flush with the end surface of the second end of the base sheet, or (2) the self-adhesive layer is formed on a back surface of the base sheet, and the adhesive layer is covered with a release sheet, and the release sheet is larger than the base sheet.

As also described above, as a result of these features, because the volume hologram layer is formed by a transfer process and has the claimed shape, severability of the volume hologram layer does not need to be taken into consideration when the volume hologram layer is transferred to the label base sheet. Accordingly, a volume hologram layer having a clear outline can be transferred to the label base sheet. This in turn means that the volume hologram is able to provide high resistance to forgery and counterfeiting. See specification at page 36, lines 1-10. Furthermore, as a result of the claimed design of the self-adhesive layer and release sheet, the release sheet can be easily released from the base sheet by pulling the end portion of the release sheet after the counterfeit prevention label is attached to an article.

Because Ishimoto does not disclose these features of the claimed invention, Ishimoto does not anticipate independent claim 1, or the claims dependent therefrom. Reconsideration and withdrawal of the rejection are respectfully requested.

III. Rejection Under §103

Claim 5 is rejected under 35 U.S.C. §103(a) as having been obvious over Chatwin.

Applicants respectfully traverse this rejection.

Claim 1 and Chatwin are discussed in detail above. As described, Chatwin does not disclose, nor does Chatwin teach or suggest, the claimed feature that the volume hologram layer is formed by a transfer process and has the shape of a ribbon and extends between a first end of the base sheet and a second end of the base sheet opposite the first end, the end surface of one end of the volume hologram layer is flush with the end surface of the first end of the base sheet, and the end surface of the other end of the volume hologram layer is flush with the end surface of the second end of the base sheet. Chatwin provides no reason or rationale for one of ordinary skill in the art to have provided Chatwin's hologram in this configuration.

Nor does Chatwin teach or suggest that by doing so, the unexpected benefit is provided that severability of the volume hologram layer does not need to be taken into consideration when

the volume hologram layer is transferred to the label base sheet, and thereby a volume hologram layer having a clear outline can be transferred to the label base sheet that provides high resistance to forgery and counterfeiting.

Still further, Chatwin does not disclose, nor does Chatwin teach or suggest, the claimed feature that the self-adhesive layer is formed on a back surface of the base sheet, and the adhesive layer is covered with a release sheet, and the release sheet is larger than the base sheet. Chatwin provides no reason or rationale for one of ordinary skill in the art to have provided the self-adhesive layer and release sheet in the claimed configuration. Nor does Chatwin teach or suggest that as a result, the release sheet can be easily released from the base sheet by pulling the end portion of the release sheet after the counterfeit prevention label is attached to an article.

For at least these reasons, it would not have been obvious for one of ordinary skill in the art to have modified the disclosure of Chatwin to practice the claimed invention.

Reconsideration and withdrawal of the rejection are respectfully requested.

IV. Conclusion

In view of the foregoing, it is respectfully submitted that this application is in condition for allowance. Favorable reconsideration and prompt allowance of the application are earnestly solicited.

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Should the Examiner believe that anything further would be desirable in order to place this application in even better condition for allowance, the Examiner is invited to contact the undersigned at the telephone number set forth below.

Respectfully submitted,

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JAO:JSA

Date: August 1, 2008

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